



TO: Outreach Partners and Interested Parties

FROM: *Prescription Advantage*

Date: November 22, 2005

BULLETIN

This bulletin is one in a series of routine updates regarding Prescription Advantage. These notices are designed to inform a broad network of outreach partners and other interested parties about Plan updates affecting both current and future Plan members.

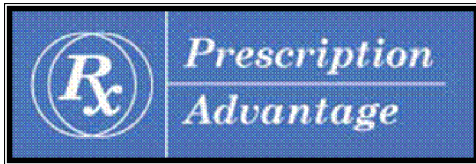
Revised Prescription Advantage Auto-Assignment and Medicare Advantage Letters

Technical issues prevented the scheduled mailing of the Auto-assignment and Medicare Advantage letters. The issues have been resolved and the letters will be mailed this week.

As these letters were not mailed, we took this opportunity to include information about the change to Prescription Advantage's Plan year.

The current Plan year was scheduled to end June 30, 2006 but due to the new Medicare prescription drug coverage becoming effective on January 1, 2006, Prescription Advantage will end the current Plan year on December 31, 2005.

This information has been added to each letter under the heading: A Change to your Out-of-Pocket Spending Limit.



November 2005

Dear Prescription Advantage Member:

This correspondence contains important information about your Prescription Advantage benefits. Please read it carefully.

New Medicare Drug Coverage

Beginning January 1, 2006, Medicare will offer prescription drug plans to help pay for prescription drug costs. Prescription Advantage will change when this new Medicare program takes effect. This means that Medicare will pay for your prescriptions first and then Prescription Advantage will pay for certain costs not covered by the Medicare drug plan. You were recently sent information about how Prescription Advantage will work with your Medicare drug plan in a separate mailing.

Prescription Advantage Members MUST be Enrolled in a Medicare Drug Plan

The Commonwealth of Massachusetts requires all Prescription Advantage members who are Medicare beneficiaries be enrolled in a Medicare drug plan with coverage starting January 1, 2006. In other words, to keep Prescription Advantage benefits after January 1, 2006 (for certain benefits not covered by Medicare), you must be enrolled in a Medicare drug plan.

Automatic Enrollment into a Medicare Drug Plan

To help you keep your Prescription Advantage benefits after January 1, 2006, Prescription Advantage has automatically assigned you to a Medicare drug plan. Medicare's auto-enrollment process requires random assignment of Prescription Advantage members into drug plans. Therefore, the Medicare drug plan assigned to you was randomly selected from a list of Medicare approved drug plans in your area and does not take into account the prescription drugs that you use or the pharmacy that you use. All Medicare approved prescription drug plans meet Medicare's standards for access to medications.

Information Regarding the Medicare Drug Plan You Have Been Enrolled In:

You have been automatically enrolled in:

XXXXXXXXXXXX

Medicare Prescription Drug Plan

XXX-XXX-XXXX

XXX-XXX-XXXX (TTY)

Plan X will send you more information about the benefits available in their plan.

If you choose to select a different Medicare drug plan other than the Medicare drug plan assigned to you, **you must make this change between November 15 and December 31, 2005**, otherwise the Medicare drug plan assigned to you will **automatically take effect on January 1, 2006**.

Prescription Advantage recommends that you do not deduct your monthly Medicare drug plan premium from your Social Security check. You may be receiving premium assistance from Prescription Advantage and Prescription Advantage will need to coordinate the payment of your premium assistance directly with your Medicare drug plan.

IMPORTANT MESSAGE

There are special rules for Prescription Advantage members who have drug coverage through a past employer or current employer, union, or Medigap plan. Please contact Prescription Advantage Customer Service to ensure that your drug coverage from these plans is not disrupted.

If you do not want to join a Medicare drug plan call **1-800-MEDICARE (1-800-633-4227)** after November 15, 2005 and tell them you do not want to join a Medicare drug plan.

Please keep in mind, if you **do not join a Medicare drug plan by December 31, 2005, you will lose your Prescription Advantage benefits as of January 1, 2006. Also, if you change your mind and decide to join later, you may be subject to higher Medicare drug plan premiums if you join after May 15, 2006.**¹

A Change to your Out-of-Pocket Spending Limit

Additionally, we would like to share some important information with you regarding a change to your Prescription Advantage annual out of pocket spending limit for this year. The new Medicare prescription drug coverage that becomes effective on January 1, 2006 necessitates this change.

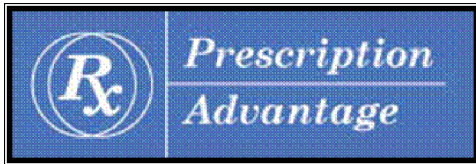
Your annual out of pocket spending is the money you pay towards your co-pays and deductible. As a Prescription Advantage member, you are assigned a limit or maximum dollar amount that you are required to pay during a Plan year. When you reach your limit, you pay \$0 for your co-pays and deductible for the remainder of the Plan year.

¹ Prescription Advantage is considered to be *non-creditable coverage* for Medicare beneficiaries. This means that Prescription Advantage will not pay as much for prescription drugs as the standard Medicare prescription drug coverage will pay.

Due to the new Medicare prescription drug coverage becoming effective on January 1, 2006, Prescription Advantage must end the current Plan year on December 31, 2005. Since we have shortened the Plan year by six months, we will reduce your annual out of pocket spending limit this year by half and will send you a refund for any amount you spent beyond this limit. If you are due a refund from Prescription Advantage, you will receive it early next year.

Prescription Advantage is available to help you understand your new benefits. Please feel free to call customer service (toll free) at 1-800-AGE-INFO (1-800-243-4636) or TTY for the deaf and hard of hearing at 1-877-610-0241.

Sincerely,
Prescription Advantage



November, 2005

Dear Prescription Advantage Member:

This letter contains important information about your Prescription Advantage benefits. Please read it carefully.

New Medicare Drug Coverage

Beginning January 1, 2006, Medicare will offer prescription drug coverage to individuals with Medicare. Prescription Advantage will change when this new Medicare program takes effect. This means that Medicare will pay for your prescriptions first and then Prescription Advantage will pay for certain costs not covered by your Medicare drug plan. *We recently sent you information about how Prescription Advantage will work with your Medicare drug plan.*

The Commonwealth of Massachusetts requires that all Prescription Advantage members who are Medicare beneficiaries be enrolled in a Medicare drug plan with coverage starting January 1, 2006. In other words, to keep your Prescription Advantage benefits to help pay for costs not covered by Medicare, you must be enrolled in a Medicare drug plan by December 31, 2005.

Medicare Advantage Plan

Medicare has informed Prescription Advantage that **you are currently enrolled in a Medicare Advantage health plan.** This means that you receive your health care through Medicare Advantage plans such as Blue Care 65, Fallon Senior Plan, Secure Horizons or First Seniority. Your Medicare Advantage plan **may** now include the new Medicare prescription drug coverage. *Please watch for an important letter from your Medicare Advantage plan explaining your options with the new Medicare prescription drug coverage or contact your plan for more information.*

If you are not currently enrolled in a Medicare Advantage health plan, please call Prescription Advantage Customer Service immediately.

Joining a Medicare Drug Plan

There are several ways you can join a Medicare drug plan by January 1, 2006:

1. You can remain in your current Medicare Advantage plan if it includes the new Medicare prescription drug coverage. Contact your Medicare Advantage plan to find out how to join its prescription drug coverage plan.
2. You can switch to a different Medicare Advantage plan with drug coverage.
3. You can return to traditional Medicare and join a Medicare drug plan that offers only drug coverage. If you do decide to join a Medicare drug plan, your Medicare Advantage coverage may change. Contact your Medicare Advantage plan for more information.

This is an important choice that can affect how you receive your health care benefits. Be sure to consider the medications you take and the pharmacy that you use because Medicare drug plans will vary. You will have one opportunity to change Medicare drug plans between January 1, 2006 and May 15, 2006.

If you do not want to join a Medicare drug plan call **1-800-MEDICARE (1-800-633-4227)** or contact your Medicare Advantage plan and tell them you do not want to join. If you have retiree prescription drug coverage from a former employer or a union, contact your retirement board or your union before joining a Medicare drug plan.

Please keep in mind, if you **do not join a Medicare drug plan by December 31, 2005, you will lose your Prescription Advantage benefits as of January 1, 2006. Also, if you change your mind and decide to join later, you may be subject to higher premiums if you join after May 15, 2006.**²

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Your annual out of pocket spending is the money you pay towards your co-pays and deductible. As a Prescription Advantage member, you are assigned a limit or maximum dollar amount that you are required to pay during a Plan year. When you reach your limit, you pay \$0 for your co-pays and deductible for the remainder of the Plan year.

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² Prescription Advantage is considered to be *non-creditable coverage* for Medicare beneficiaries. This means that Prescription Advantage will not pay as much for prescription drugs as the standard Medicare prescription drug coverage will pay.

What Do I Need to Do?

1. Review the information contained in this mailing and other information on Medicare drug plans including information from your Medicare Advantage plan. For additional resources, refer to the "Helpful Resources" list included in this mailing.
2. Call Prescription Advantage Customer Service immediately if you are not currently enrolled in a Medical Advantage health plan.
3. Determine if you would like to join a drug plan that may be offered by your Medicare Advantage plan or if you would like to choose another Medicare drug plan. If you would like to join a drug plan offered by your Medicare Advantage plan, contact them directly. If you would like to select another Medicare drug plan, contact that plan directly or contact Prescription Advantage Customer Service for more information on other available Medicare drug plans.

Prescription Advantage is available to help you understand your new benefits. Please feel free to call customer service at **1-800-AGE-INFO (1-800-243-4636)** or TTY (toll free) for the deaf and hard of hearing at **1-877-610-0241**.

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